

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: TRANSCANADA ENERGY MARKETING USA, INC.	DOCKET NO. CGP-01-3
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**ORDER APPROVING APPLICATION AND ISSUING CERTIFICATE TO PROVIDE
LARGE VOLUME SERVICE**

(Issued October 1, 2001)

On May 30, 2001, TransCanada Energy Marketing USA, Inc. (TransCanada) filed an application for a certificate as a competitive natural gas provider (CNGP) with the Utilities Board (Board). The Board's rules at 199 IAC 2.2(18) and 19.14 establish the filing requirements for the issuance of a certificate. Subrule 19.14(4) states that an applicant will be notified when its application is complete and the 90-day review period begins. The application was identified as Docket No. CGP-01-3. On June 29, 2001, TransCanada filed additional information to complete its application. On July 20, 2001, the Board notified TransCanada that the application was complete and the 90-day review period had begun.

TransCanada is a Texas corporation and has a certificate from the Iowa Secretary of State to do business in Iowa. Subrule 199 IAC 19.14(2) allows CNGPs providing service in Iowa prior to April 25, 2001, to continue providing service during the certification process. TransCanada was providing service in Iowa to large volume customers prior to April 25, 2001, and therefore is authorized to provide service until the completion of its certification process.

Iowa Code § 476.87 requires that a competitive natural gas provider or aggregator must reasonably demonstrate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The Board in 199 IAC 2.2(18) and 19.14 established the filing requirements for a CNGP to obtain a certificate. These requirements contain the information determined by the Board to be necessary to review the managerial, technical, and financial abilities of the applicant.

TransCanada's application contains the professional background information for its principal managerial and technical personnel. It appears that TransCanada's staff possesses extensive knowledge of and experience in various areas of the natural gas industry including marketing of natural gas service. TransCanada indicated that it intends to only serve large volume customers in Iowa and did not file the financial and operational information required for a certificate to serve small volume customers. Additionally, TransCanada expressed its commitment to comply with all applicable conditions of certification contained in 199 IAC 19.14(5) and (6). TransCanada also acknowledged that failure to comply with all applicable conditions may result in the revocation of its certificate.

Based on a review of TransCanada's application, the Board finds that TransCanada has reasonably demonstrated that it possesses the appropriate managerial, technical, and financial capability sufficient to obtain and deliver the services it proposes to offer. The Board finds that TransCanada's application complies with the filing requirements of Board rules and that TransCanada will be issued a CNGP certificate to provide service to large volume customers as defined in

199 IAC 19.14(1). The Board finds that no additional conditions should be placed on the certificate. To provide service to small volume customers, TransCanada will need to file an application to amend its certificate and the information required by 199 IAC 2.2(18) and 19.14(6).

Concurrently with the issuance of this order, the Board will issue a certificate to provide service to large volume customers, identified as Certificate No. G-0006, to TransCanada. TransCanada will be subject to the reporting requirements contained in 199 IAC 19.14(5)"c" once the certificate is issued.

IT IS THEREFORE ORDERED:

1 The application for a certificate as a competitive natural gas service provider to serve large volume customers in Iowa filed by TransCanada Energy Marketing USA, Inc., on May 30, 2001, is approved.

2. TransCanada shall comply with the filing requirements of 199 IAC 19.14(5).

3. Certificate No. G-0006 shall be issued to TransCanada.

UTILITIES BOARD

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Mark O. Lambert

Dated at Des Moines, Iowa, this 1st day of October, 2001.